

Select Committee on Pension Policy

P.O. Box 40914
Olympia, WA 98504-0914
actuary_st@leg.wa.gov

Executive Committee

December 7, 2004

8:00 - 9:30 AM
1:00 - 3:00 PM (if needed)

Senate Conference Room A-B-C, Olympia

AGENDA

- (A) Approval of November Meeting Minutes
- (B) Today's Full Committee Agenda:
 - (1) Deferred Rate Increases
 - (2) Purchasing Power Subgroup Recommendations
 - (3) LEOFF 1 Ex-spouse Survivor Benefit
 - (4) Technical Corrections
- (C) Business Planning Subgroup

Representative Gary Alexander

Elaine M. Banks
TRS Retirees

Marty Brown, Director*
Office of Financial Management

Senator Don Carlson

John Charles, Director
Department of Retirement Systems

Representative Steve Conway*
Vice Chair

Richard Ford
PERS Retirees

Senator Karen Fraser*
Chair

Representative Bill Fromhold

Leland A. Goeke*
TRS and SERS Employers

Bob Keller
PERS Actives

Corky Mattingly
PERS Employers

Doug Miller
PERS Employers

Glenn Olson
PERS Employers

Representative Larry Crouse

Diane Rae
TRS Actives

Senator Debbie Regala

J. Pat Thompson
PERS Actives

David Westberg*
SERS Actives

***Executive Committee**

(360) 753-9144
Fax: (360) 586-8135
TDD: 1-800-635-9993

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DRAFT MINUTES EXECUTIVE COMMITTEE MEETING

November 9, 2004

The Select Committee on Pension Policy met in Senate Conference Room A-B-C, Olympia, Washington on November 9, 2004.

Executive Committee members attending:

Senator Fraser, Chair
John Charles
Leland Goeke
David Westberg

Other members attending the morning session:

Elaine Banks
Representative Fromhold
Robert Keller
Doug Miller
Glenn Olson
Diane Rae
J. Pat Thompson

Senator Fraser, Chair, called the meeting to order at 8:40 AM.

Matt Smith, State Actuary, reviewed the "Total Fiscal Impact of 2004 SCPP Proposals" report.

(A) Today's Full Committee Meeting

Senator Fraser reviewed the Full Committee meeting Agenda.

(B) Age 65 Retirement Subgroup Report

Lee Goeke reported that the Age 65 Retirement Subgroup met November 5th. The subgroup recommended that the Executive Committee bring legislation forward on the "Rule of 90" and to allow purchase of up to 7 years of out-of-state service credit in TRS 2/3. Committee members discussed this issue. Staff was instructed to schedule the recommendations for the December Full Committee meeting.

Representative Gary Alexander

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(C) Purchasing Power Subgroup Report

Representative Fromhold reported the subgroup did not have a recommendation at this time. Discussions will continue at the subgroup meeting immediately following the Executive Committee meeting.

(D) Deferred Rate Increases

Matt Smith, State Actuary, reviewed the "Deferred Rate Increases" report. Committee members discussed this issue and staff was instructed to schedule "Deferred Rate Increases" for the December Full Committee meeting.

The meeting adjourned at 9:30 AM to attend the Full Committee meeting.

The meeting was called to order at 11:25 AM.

Executive Committee members attending:

Senator Fraser, Chair
John Charles
Leland Goeke
David Westberg

Other members attending:

Representative Alexander
Elaine Banks
Representative Fromhold
Robert Keller
Doug Miller
Glenn Olson
Diane Rae
J. Pat Thompson

After reviewing the SCPP member poll regarding changing the December meeting from the 7th, Senator Fraser stated the December meeting would remain on the 7th.

(E) LEOFF 1 Benefit Cap (Bill Draft)

Bob Baker, Senior Research Analyst, reviewed the "LEOFF 1 Benefit Cap" bill draft. Committee members discussed this issue and staff was instructed to schedule for the December 7th Full Committee meeting.

(F) LEOFF 1 Ex-Spouse Survivor Benefit

Bob Baker, Senior Research Analyst, reviewed the "LEOFF 1 Ex-Spouse Survivor Benefit" report. Committee members discussed this issue and staff was instructed to schedule for the December 7th Full Committee meeting.

(G) Retire/rehire Sick Leave Cashout

Dave Westberg briefly spoke on the “Retire/rehire Sick Leave Chashout” issue.

(H) Interruptive Military Service

Laura Harper, Senior Research Analyst Legal, reviewed the “Interruptive Military Service” bill draft. Committee members discussed this issue and staff was instructed to schedule for the December Full Committee meeting.

Senator Fraser reviewed the John McCarthy and Pat O’Malley letter concerning pension service credits as port commissioners prior to becoming judges. She recommends this issue be scheduled for the 2005 interim.

(I) December Meeting Agendas

Matt Smith, State Actuary, reviewed the issues for the December 7th agendas.

The meeting adjourned at 12:15 PM.

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Business Planning Subgroup

(November 29, 2004)

Subgroup Members

Representative Bill Fromhold
John Charles
Lee Goeke

Note: Richard Ford was originally a member of the subgroup. He is no longer an SCPP member.

Subgroup Activity

The subgroup met on September 27, 2004 to discuss the business planning process and to review various materials, including examples of strategic plans from a variety of sources. The subgroup determined that there was a need to meet with the Chair and Vice Chair of the SCPP before attempting to plan a work session for the entire committee.

The SCPP Chair and Vice Chair met with DRS Director John Charles and members of DRS and OSA staff on October 19, 2004. The consensus of the Chair and Vice Chair was that the subgroup should proceed and come up with a suggested business planning process for the full committee. The Chair and Vice Chair also contributed their ideas regarding future business planning, including a possible work session prior to the next interim.

This subgroup did not meet in November.

Next Steps ?